

Message Text

CONFIDENTIAL

PAGE 01 MILAN 00377 01 OF 02 141048Z
ACTION EUR-12

INFO OCT-01 ISO-00 TRSE-00 CIAE-00 DODE-00 PM-05 H-01
INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15
USIA-06 BIB-01 AID-05 ACDA-12 EB-08 /087 W
-----099230 141121Z /14
R 131500Z MAR 78
FM AMCONSUL MILAN
TO AMEMBASSY ROME
INFO SECSTATE WASHDC 5896

C O N F I D E N T I A L SECTION 1 OF 2 MILAN 0377

EO 11652: GDS
TAGS: PINT PINR PFOR ECON BGEN IT
SUBJECT: CABLE FROM BRESCIA

REF: 77 MILAN 0222

SUMMARY: IN CATHOLIC AND PROSPEROUS INDUSTRIAL BRESCIA, DC
ACCEPTANCE OF PCI IN NATIONAL MAJORITY GENERALLY APPROVED
WHILE IMAGE OF PCI APPEARS TO BE IMPROVING LOCALLY. END SUMMARY.

2. ITALY'S THIRD MOST INDUSTRIALIZED PROVINCE IS BRESCIA, AN
ANCIENT METALS CENTER AND A REMAINING CATHOLIC STRONGHOLD WHERE
DC HAS 49 PC OF VOTE ALTHOUGH PCI JUMPED FROM 18.6 TO 26.7PC IN
1976 ELECTIONS. ECONOMIC OFFICER AND CONSUL GENERAL MARCH 9
MET WITH PREFECT, BISHOP, MAYOR, SECRETARIES OF DC, PSI, PCI,
CISL, CGIL, DIRECTOR LOCAL PAPER, BANK DIRECTORS, CHAMBER OF
MANUFACTURERS ASSOCIATION, STEEL MAKER, TOURIST OFFICIALS,
AND PRESIDENT FARMERS UNION, TO SURVEY CURRENT SITUATION.

2. POLITICAL CONCLUSION WAS THAT DC DECISION IN ROME TO FORM
NEW ANDREOTTI GOVERNMENT WITH COMMUNISTS IN MAJORITY CAUSED
NO NOTICEABLE GRIEF. EVEN BISHOP, DIGNIFIED CHURCHMAN IN
SIXTIES, WAS NOT GREATLY CONCERNED. HE, IN FACT, SAID HE WAS
HAPPIER WITH THIS YEAR THAN LAST. PROSPECT OF SOME GOVERNMENT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MILAN 00377 01 OF 02 141048Z

STABILITY WAS BOUND T HELP ECONOMY. AND, THEN, CHURCH PROBLEMS
LOOKED LESS GRAVE. CANDIDATES FOR PRIESTHOOD AGAIN RISING ALTHOUGH
NUMBER ENTERING FEMALE ORDERS STILL IN DECLINE. SCHOOL ELECTIONS
WERE FILLIP CONFIRMING MANY SIGNS OF CATHOLIC REVIVAL WHILE SMALL
COMMUNIONE AND LIBERAZIONE ORGANIZATION IN GOOD HEALTH. AS FOR
COMMUNISTS, HE DISTRUSTED THEM BUT THEY WERE BEING EXCEEDINGLY
WELL BEHAVED AND WERE NO MORE OF A THORN TO CHURCH LOCALLY THAN

RADICALS AND SOCIALISTS.

3. MAYOR, INDEPENDENT ELECTED ON DC TICKET AND COUSIN OF POPE MONTINI, IS DRY, LEAN, NO-NONSENSE TYPE WHO IS NOT CHARISMATIC BUT MUCH RESPECTED LOCALLY. HE CONCLUDED THAT DC/PCI MAJORITY IN ROME WAS ONLY CHOICE. ELECTIONS WOULD SOLVE NOTHING BUT GRAVELY DAMAGE CRAXI WHO WAS MAJOR DC HOPE. MEANWHILE, NO DOUBT IN HIS MIND THAT PCI HAD REALLY CHANGED AS WAS CHANGING. LIKE FASCISTS, DC AND OTHERS, PCI WAS EVOLVING. HE CITED VARIOUS EXAMPLES OF INTERNAL DISSENT IN PCI AND TRADE UNIONS WHICH WERE PROOF TO HIM OF NEW NATURE OF PCI. IF IT READY TO COLLABORATE WITH DC ON TERMS DC COULD ACCEPT, WHY NOT? IN FACT, BRESCIA CITY COUNCIL PRE-FIGURED ROME FORMULA IN THAT PCI WAS IN MAJORITY AND CONSULTED ON ALL ISSUES ALTHOUGH IT WAS NOT IN GIUNTA. DC SECRETARY CISO GITTI, YOUNG, LACONIC LAWYER NOW IN SECOND YEAR IN OFFICE, MADE NO BONES OF HIS DISDAIN FOR THE MAZZOTTA-DE CAROLIS CARTEL AND HIS SATISFACTION AT ITS DEFEAT. IN HIS VIEW, DC HAD NO CHOICE BUT TO WORK WITH PCI TO EXTENT POSSIBLE SINCE ELECTIONS NOW WOULD DO MORE HARM THAN GOOD. HE SAW NO FUTURE WITH PSI WHICH HAD LITTLE CHANCE OF RECOVERY AND LESS OF RETURNING TO ALLIANCE WITH DC. HE WAS CONVINCED THAT PCI IS CHANGING BUT THAT IT HAD LONG WAY TO GO. MEANWHILE, DC LOST NOTHING DRAWING PCI INTO GOVERNMENT RESPONSIBILITY BUT GOT CREDIT FOR ANY SUCCESSES.

4. THEME OF PCI CHANGE SOUNDED BY CGIL PROVINCIAL SECRETARY AND DEPUTY, PCI AND PSI, RESPECTIVELY. FRANCO TORRI, CGIL SECRETARY, CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MILAN 00377 01 OF 02 141048Z

A MAN OF ABOUT 45, ARGUED THAT PCI IN FULL CHANGE. PCI, HE SAID, HAD MADE ITS CHOICE ABOUT FUTURE AND HAD OPTED FOR WEST WHILE NOT BECOMING ENEMY OF USSR. IT HAD DECIDED TO SUPPORT NATO AND ITALIAN ROLE IN IT. PCI HAD CONCLUDED THAT IT NEEDED THE US AND COULD NOT GET ALONG WITHOUT THE US. PCI, HE SAID, REALIZED THAT MORE THAN AMERICANS THEMSELVES. NOR COULD HE ADMIT THAT PCI WAS THREAT TO ITALIAN DEMOCRACY. IT HAD FOUGHT FASCISM AND HAD NO INTENTION FALL INTO SAME RUT. IN FACT, PROBLEM WITH YOUNG CGIL PEOPLE WAS NOT THEIR RADICALISM, HE CONTINUED, BUT LACK OF AGGRESSIVITY. PCI WAS NOW RUN BY WHOLE NEW GENERATION THAT HAD NOT LIVED IN CLANDESTINE OR SOVIET WORLD. THEY SAW ITALIAN DEMOCRACY AS NORMAL ENVIRONMENT AND HAD NO INCENTIVE TO LOSE IT.

5. PCI SECRETARY, GIAMPIERO BORGHINI, IS NEARLY 40-YEAR OLD SON OF PROSPEROUS BRESCIAN MERCHANT. A SAD FACED, LOW KEY AND MANNERED PERSON, HE HANDLED A WIDE RANGE OF NOT ALWAYS EASY QUESTIONS WITHOUT HESITATION OR CIRCUMLOCUTION. HE AGREED THAT THERE WAS A LEGITIMATE QUESTION ABOUT THE DEMOCRATIC COMMITMENT OF THE PCI. IT WAS AN AMBIGUITY THAT HAD TO BE RESOLVED BY PCI ITSELF. THE LONG NATIONAL DEBATE ABOUT FORMATION OF NEW ANDREOTTI GOVERNMENT HAD BEEN EXCELLENT LESSON FOR PCI. IT HAD DEMONSTRATED TO COMMUNIST RANK AND FILE THAT OPPOSITION

TO INCLUSION OF PCI IN GOVERNMENT WAS NOT MERE OBSTINACY OF DC NATIONAL LEADERS BUT GRASS ROOTS DC DISTRUST. COMMUNIST MILITANTS COMPLAINED THAT BERLINGUER ET AL WERE TOO TIMID IN CASHING IN ON JUNE 1976 VICTORY. NOW IT WAS EVIDENT THAT THE PROBLEM WAS NOT PCI TIMIDITY BUT DC FEAR.

6. BORGHINI SAID THAT DISTRUST OF PCI WAS NOT ONLY BY OTHER ITALIAN PARTIES BUT ITALY'S ALLIES AS WELL. THIS DISTRUST HAD TO BE DISSIPATED BY PCI ITSELF. FOR EXAMPLE, PCI COULD

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 MILAN 00377 02 OF 02 141111Z
ACTION EUR-12

INFO OCT-01 ISO-00 TRSE-00 CIAE-00 DODE-00 PM-05 H-01

INR-10 L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15

USIA-06 BIB-01 AID-05 ACDA-12 EB-08 /087 W

-----099587 141121Z /14

R 131500Z MAR 78

FM AMCONSUL MILAN

TO AMEMBASSY ROME

INFO SECSTATE WASHDC 5897

C O N F I D E N T I A L SECTION 2 OF 2 MILAN 0377

NOT IMAGINE THAT IT OR CGIL COULD HAVE MONOPOLY OF WORKING CLASS. NOR THAT A UNIFIED TRADE UNION MOVEMENT COULD BE CGIL. IT WOULD HAVE TO BE SOMETHING ENTIRELY DIFFERENT.

7. BEST WAY TO GUARANTEE THAT PCI COULD NOT SEIZE POWER, EVEN IF IT WANTED TO, WOULD BE BY INCREASING PLURALITY OF CENTERS OF POWER IN ITALY. THAT MEANT A GENUINELY INDEPENDENT TRADE UNION MOVEMENT TAKING ORDERS FROM NO POLITICAL PARTY. IT MEANT GREATER REAL POWERS TO CITY GOVERNMENT AND THE REGIONS. THIS WAS KEY TO PREVENTING TAKE OVER BY LEFT OR RIGHT IN ITALY.

8. VISIT TO BRESCIA PCI HEADQUARTERS AN EYE-OPENER IN ITSELF. PARTY WAS BUYING 18TH CENTURY VILLA AND RENOVATED IT IN STRIKINGLY GOOD TASTE. CLEAN, FUNCTIONAL, TRADITIONAL WITH RESTRAINED CONTEMPORARY FURNISHINGS, ELECTRIC TYPEWRITERS, BUSY SECRETARIES AND AIR OF EFFICIENCY SEEN MORE FREQUENTLY WITH, SAY, OLIVETTI, OFFICES HERE. IN CONTRAST RUN-DOWN PSI OFFICES AND SOMBER, OLD-FASHIONED DC HEADQUARTERS LOOKED LIKE THE IRT COMPARED TO WASHINGTONS METRO.

9. PSI SECRETARY SERGIO TONELLI WAS FRIENDLY AND DESCRIBED BRESCIA

FEDERATION AS ABOUT TO DELIVER OVER 50PC OF DELEGATES TO CRAXI FOR
TURIN CONGRESS AT WHICH HE EXPECTED CRAXI TO GET OVER 60PC. PSI
HAD TO REBUILD AND NEEDED TIME. NEW FACES WOULD BE ADDED AFTER TURIN
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MILAN 00377 02 OF 02 141111Z

AND HE THOUGHT HE DETECTED RISE IN LOCAL SUPPORT FOR PSI.

10. NEW TRADE UNION POLICY DECIDED IN ROME IN MID-FEBRUARY WELL
RECEIVED IN BRESCIA. PSI SECRETARY THOUGHT THAT IT WOULD BE ABOUT
90PC EFFECTIVE LOCALLY AND THIS VIEW SHARED BY BOTH CGIL AND CISL
LEADERS. THEY HAD NO ARGUMENT WITH GREATER LABOR MOBILITY OR
TRADE UNION WAGE RESTRAINT. IN FACT, THEY CLAIMED THAT THEY HAD LONG
BEEN PRACTICING BOTH LOCALLY.

11. CISL SECRETARY CARMELO PILLITTERI IS RAPID FIRE, BRIGHT, QUICK
AND ENERGETIC CHRISTIAN DEMOCRATIC MID-FORTIES. HIS LARGE AND
POWERFUL ORGANIZATION IS EVERYWHERE IN CATHOLIC BRESCIA AND HE
AIMS TO KEEP IT THERE. HE SAW NO ALTERNATIVE TO PCI IN ANDREOTTI
MAJORITY NOR DID HE OBJECT AS LONG AS THERE WAS NO DEAL ABOUT
HANDLING THE LABOR MOVEMENT OVER TO THE PCI. IT WAS FINE TO HAVE
DEAL WITH PCI TO SOLVE SPECIFIC PROBLEMS. IT WAS OFF OF THE
QUESTION TO BUY OFF PCI WITH SOME SORT OF BARGAIN GIVING DC
MIDDLE CLASS AND PCI THE WORKERS.

12. BOTH CISL AND CGIL AGREED THAT CISL HAD NO SIGNIFICANT
EXTRA PARLIAMENTARY WING, AS IT DOES IN OTHER AREAS. AND, BOTH
ALSO AGREED THAT LABOR-MANAGEMENT RELATIONS WERE EXCELLENT. - IN
FACT, HAD NEVER BEEN BETTER AFTER VERY NASTY SITUATION IN RECENT
PAST.

13. CONCLUSION ABOUT BRESCIA'S ECONOMY IS THAT IT IS HEALTHY
ALTHOUGH NOT QUITE ROBUST. PRODUCTION GROWTH IN 1977 WAS ONLY
SLIGHTLY GREATER THAN ZERO. SOME KEY INDUSTRIES SUCH AS
TEXTILES, CLOTHING, FIRE ARMS, AND CONSTRUCTION WERE SUFFERING
FROM GREATLY REDUCED LEVELS OF DOMESTIC DEMANDS. A FEW OTHERS,
SUCH AS THE STEEL AND METAL WORKING INDUSTRIES ARE NOT AS STRONG
AS THEY HAVE BEEN IN PAST YEARS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MILAN 00377 02 OF 02 141111Z

14. BUT THERE WERE SEVERAL THINGS TO SUGGEST THAT DESPITE WEAK
SPOTS, MUCH WAS GOING WELL. FARM EARNINGS WERE HIGH IN 1977 AND
STIMULATED ENTIRE ECONOMY. HOURS OF CASSA INTEGRAZIONE WERE LESS
AT THE END OF 1977 THAN AT THE BEGINNING. THE NUMBER OF JOBS
ALSO INCREASED THROUGHOUT 1977. IN FACT CGIL CLAIMED THAT ANNUAL
JOB TURN OVER ABOUT 35,000 WITH 10,000 NEW JOBS ADDED ANNUALLY

AS OF END 1977. UNEMPLOYMENT WAS NOT A REAL PROBLEM EITHER EVEN TO TRADE UNIONS AND LEFT-WING PARTIES. AND THERE HAVE APPARENTLY BEEN NO MAJOR FAILURES OR LAYOFFS IN RECENT MONTHS WHILE INVESTMENT OUTLAYS DO CONTINUE. TOURIST TRADE RECEIPTS ROSE FIVE PERCENT TO ABOUT \$100 MILLION DOLLARS IN 1977. TAKEN TOGETHER, OTHER EVIDENCE SUPPORTS THE VIEW OF THE MANAGER OF ONE OF BRESCIA'S BIGGEST BANKS THAT THERE HAD BEEN NO CRISIS IN THE PAST YEAR IN BRESCIA AND THAT HE WAS "CAUTIOUSLY OPTIMISTIC" ABOUT THE PRESENT AND FUTURE.

15. PRUDENTLY OPTIMISTIC VIEW ABOUT LOCAL ECONOMY SHARED BY ALL FOUR CONTACTS. EVEN TRADE UNION VOLUNTEERED THAT YOUTH UNEMPLOYMENT INSIGNIFICANT WHILE MAYOR, INTERMEDIARY IN SEVERAL LABOR DISPUTES, POINTED TO CASES WHERE WORKERS GOT NEW JOBS WHILE UNIONS WERE STILL STRIKING TO FORCE MANAGEMENT TO RE-HIRE THEM.

16. FINALLY, OBSERVER LEAVES BRESCIA WITH IMAGE OF DYNAMIC, BUSY COMMUNITY LED BY IMPRESSIVELY COMPETENT, NO-NONSENSE YOUNG GENERATION OF POLITICAL AND ECONOMIC LEADERS WHO ARE SELF-CONFIDENT, GETTING ALONG TOGETHER AND NOT WASTING MUCH TIME WRINGING HANDS ABOUT THE FUTURE.FINA

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, URBAN AREAS, POLITICAL SITUATION, PUBLIC ADMINISTRATION, BRESCIA
Control Number: n/a
Copy: SINGLE
Draft Date: 13 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MILAN00377
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780112-1143
Format: TEL
From: MILAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780376/aaaacmct.tel
Line Count: 246
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4c4c74c8-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 MILAN 222
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 31 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3353387
Secure: OPEN
Status: NATIVE
Subject: CABLE FROM BRESCIA
TAGS: PINT, PINR, PFOR, ECON, BGEN, IT
To: ROME
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/4c4c74c8-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014